(c) whether this meeting also gave indication to open new avenues for export of garments in a large scale;

(d) whether Government have taken any steps to implement the suggestions made at the meeting; and

(e) if so, what are the details thereof?

THE MINISTER OF TEXTILES WITH ADDITIONAL CHARGE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV) : (a) to (e) The Indo-American Chamber of Commerce organised a Workshop on Indo-U.S. Textile Trade on 30th January, 1990 in which U.S. Ambassador to India, among others, was present. However, no action point or recommendations have been received by the Government from the organisation.

Import of Spices and Rubber

3481. SHRI SYED SIBTEY KAZI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have received any requests to reconsider the Export/Import Policy in regard to the import of spices and rubber;

(b) if so, what are the details thereof; and

(c) what action Government have taken thereon?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU) : (a) and (b) Yes, Sir. The main points in the representations were that the new Import & Exports Policy in respect of agricultural and plantation products—coconut oil, copra, natural rubber, coir yarn, cocoa and spices would have adverse effects on the farmers of Kerala.

(c) There has been no change in the new Import & Export Policy for the above mentioned items except for nutmeg and mace. Import of these two items which was earlier allowed under Open General Licence by all persons for stock & sale has been tightened by bringing them into the licens-able category in the new Import & Export Policy.

Domestic and Foreign Operations of Indian Banks

3482. SHRI SURESH PACHOURI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that domestic operations of the Indian banks are groaning under huge bad debts and non-performing assets and that their foreign operations also appear to be paralysed;

(b) if so, what are the main reasons therefor;

(c) whether it is also a fact that the operations of Indian banks in the United States are very bad; and

(d) if so, what steps are being taken to improve the functioning of the banks in Indian and abroad?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI) : (a) to (d) The risk of certain debts going bad is inherent in the nature of operations of all commercial banks including nationalised banks. Government and Reserve Bank of India have been impressing upon the banks the need to strengthen their machinery for credit appraisal and for exercising effective supervision and control over the advances to ensure proper end-use of funds lent. Banks have also been advised to take strict action against the officials where advances are found to have become sticky due to their negligence, inefficiency or suspected collusion on their part with unscrupulous borrowers. Reserve Bank of India has also advised the banks in November, 1985 to introduce a comprehensive and uniform grading system to indicate the health of individual advances and accordingly classify them in various distinct categories. This is expected to facilitate close monitoring of sticky advances by banks and eventually reduce the incidence of bad debts.

The Indian banks having foreign branches are by and large of small size by inter-national standards and their business is usually limited to the Indian ethnic community. At present 3 banks are operating 7 banches in the United State of America. These branches have been fac-